GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:4979
ANSWERED ON:20.12.2000
LESS INVESTMENT IN AGRO SECTOR
ARUN KUMAR

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether the Planning Commission has shown their concern about less investment by Government in Agro Sector;

(b) if so, the details thereof?

(c) Whether the agro sector is in very bad condition as a result of less investment; and

(d) If so, the reasons thereof and steps taken/proposed to be taken by the Government?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a) to (d): Yes, Sir. The Planning Commission has expressed concern in the Mid-term Appraisal of the IXth Five Year Plan about the decline in Gross Capital Formation in Agriculture (GCFA) as a percentage of total Domestic Gross Capital Formation (DGCF) whicl has come down sharply to 9.4% in 1996-97 from 19.1% in 1979-80, at 1980-81 prices.

At 1993-94 prices, GCFA has come down from 6.3% in 1996-97 to 5.5% in 1998-99. The GCFA in pubic sector has registered a decline from 15.3% in 1980-81 to 4.9% in 1998-99.

The strategy adopted by the Government for increasing Capital Formation in Agricultural Sector is to increase investment in the development of infrastructure through launching schemes like Rural Infastructure Development Fund, Accelerated Irrigation Benefit Programme, National Watershed Development Project and other similar programmes.